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SIPDIS
SENSITIVE

DEPT FOR PRM, EUR/SCE AND EUR/PRM, BELGRADE FOR REFUGEE
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SUBJECT: REFUGEE RETURNS, MARCH PRINCIPALS MEETING

¶1. (U) Summary. In a March 17 meeting with ambassadorial level representatives of the international community (IC), the Deputy Prime Minister for Regional Development, Reconstruction and Return, Slobodan Uzelac, reported that the GOC had made significant progress in resettling former occupancy/tenancy right holders (OTRs- Serb refugees who had been tenants in state owned properties before the war). The government has fulfilled its commitment to provide 1,400 housing units as part of the 2007 benchmark. It has completed 90 percent of its commitment to provide 1,400 housing units as part of the 2008 benchmark. Additionally, the government has begun the construction and procurement of the majority of housing to complete the 2009 benchmark of 2,346 units. Other topics of conversation included updates on convalidation, regional cooperation, and the sustainability of returns. End Summary.

Benchmarks: Continued Progress

¶2. (U) In the meeting with ambassadorial-level representatives from the European Commission, UNHCR, U.S. Embassy, and the Zagreb based office of the OSCE, the government presented updated figures on the progress it has made in the provision of housing care for former OTR holders. According to government figures 1,400 accessible apartments were provided, fulfilling the government's 2007 benchmark. Accessible means that the apartment is move-in ready, has been assigned to an individual family, and applicants have been notified that they may pick up a key whenever they wish. Completion of the 2007 benchmark is a prerequisite for opening Chapter 23 EU accession negotiations (Judiciary and Human Rights).

¶3. (U) The government has met approximately 90 percent of the 2008 goal of an additional 1,400 housing units. 1,304 accessible apartments have been provided. The remaining apartments are expected to be completed no later than June 2009. Approximately 300 of the resolved cases include people who have opted to receive construction material to build their own apartments rather than accept government built apartments. The principals agreed that the question of whether and how the provision of construction materials should be counted in the overall benchmark will be discussed and agreed upon during technical level meetings.

¶4. (U) The government has set the 2009 benchmark at 2,346 housing units. In fulfillment of this benchmark the government has already begun construction on 1,350 apartments inside the areas of special state concern (ASSC), and is currently looking at 800 apartments for possible purchase

outside the ASSC. The government estimates that a majority of the 2009 benchmark will be completed by the end of the year and any remaining cases will be resolved in the first quarter of 2010. The government agreed to administratively process the remaining 2,475 pending applications for housing care by the end of 2009. This processing will give a clearer picture of the amount of housing needed to be completed in 2010.

Obstacles to Completion: If You Build It Will They Come?

15. (U) One of the main issues of concern for the government regarding the completion of the housing care program relates to the high proportion of apartments that have been given to returnees but which have not yet been occupied. The GOC reported that between 30 and 40 percent of the given apartments are empty. According to Marina Dropulic, the Minister for Environmental Protection, Physical Planning and Construction, the situation is particularly concerning outside the ASSC. Minister Dropulic stated that of the 789 accessible apartments given as part of the 2007 and 2008 benchmarks outside the ASSC, none of the apartments are currently occupied. 65 percent of the apartments outside the ASSC are brand new apartments and most are located in developed urban centers. According to the government these apartments are deteriorating without occupants. The GOC claimed that previous reasons for not moving into given apartments such as waiting for children to finish the school year before moving no longer made sense in some cases as a new school year had already begun. The government wishes to have some sort of mechanism

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whereby after the passing of a certain amount of time they can give apartments to applicants who are willing to physically move in.

16. (U) The representatives of the IC agreed that apartments should not be allowed to deteriorate and lie empty when there are other housing care applicants willing to move in. However, Wilfried Buchhorn, the UNHCR Representative in Croatia, pointed out that UNHCR had inspected some of these claims as part of the 2007 benchmark and while some people no longer wished to move and some had reasons related to work or school to delay their move, others had valid points of concern including damaged apartments or apartments for the elderly located on high floors with no elevators. The government questioned the accuracy of the figures in some UNHCR reports and Mr. Buchhorn replied that all reports were shared with the government before issuance and that he welcomed the critique and wished to work better with the government to present as accurate a picture as possible.

17. (U) The government agreed to work through NGOs to locate many of the people who have not yet moved in and to gauge their continued interest in receiving housing in Croatia. Though it is possible that in the future a deadline may have to be imposed after which unoccupied apartments are given to families willing to move into the space.

Convalidation: Rapid Pace but Issues of Concern

18. (U) Mile Rukavina, the director of the Croatian Institute for Pension Insurance presented a detailed report on the progress achieved regarding convalidation to date. Mr. Rukavina reported that their office had given the highest priority to processing convalidation claims and that a staff of eighty has worked approximately 5,000 hours of overtime to effectively process the claims. To date 13,109 applications have been received and 4,731(36 percent) have been given administrative decisions. 56 percent of these (2,090) received negative decisions and 55.8 percent (2,641) received positive decisions.

¶9. (U) In previous meetings, members of the IC expressed concern over the high rate of refusals as this implied that the convalidation process was not working effectively. Another area of concern was the disproportionate amount of refusals in certain parts of the country which indicated that the new instructions on implementation regarding convalidation were not being applied in a uniform and fair manner throughout the country.

¶10. (U) Mr. Rukavina explained that their greatest obstacle is lack of proper documentation to prove previous work time. Companies no longer exist, legal successor companies have not kept the paperwork, or documents were destroyed during the war. Mr. Rukavina claims that every attempt is made to get documentation either from the applicant or from the former companies and that multiple attempts are made before a final rejection. Another obstacle is the difficulty of communication. Most of the applicants no longer live in Croatia and receiving information can take a long time. Mr. Rukavina said that the existence of documents in different regions varies due to the destruction that took place during the war. In some areas the documents are well preserved and in others they are completely destroyed and this accounts for the apparently disparate number of rejections for some regions over others.

¶11. (U) Mr. Rukavina said high level meetings were held in December and February to discuss harmonization of decisions and the equal implementation of the convalidation law. He said monthly and sometimes weekly meetings are held to give instructions to regional offices and to reach consensus opinions on difficult cases. His office has agreed to and already started an internal audit of their previously issued negative decisions and they will accept assistance from UNHCR to locate applicants who reside outside of Croatia.

Regional Cooperation and the Sarajevo Process

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¶12. (SBU) In response to questions about upcoming prospects for regional cooperation to resolve outstanding refugee issues and the state of the Sarajevo Process DPM Uzelac responded that within the ruling coalition there is not a consensus opinion regarding the issue of cooperation. The issues that have been resolved to date are issues they all agree upon and the issues which remain open are open because there is not internal agreement on how to resolve them. One issue they do agree upon is the right of return for everybody who wishes to return. They also agree that there is a small number of people who wish to return who haven't and that this group in general is made up of an older and socially vulnerable population. Previous events made it politically impossible to advocate for the resolution of the returnee issue but now the subject has been depoliticized.

¶13. (SBU) In regards to the Sarajevo Process (SP) the Director for Multilateral Affairs at the MFA, Mario Nobile, announced that while Croatia believed the SP originally was a good instrument, Croatia now considered the Sarajevo Process ?over.? He explained that by ?over? he did not mean that each and every refugee case had been resolved but that in political terms they do not wish to be put in the company of ?the unsuccessful? and expose Croatia to the ?internationalization? of this issue. The GOC feels that they are in a better position to resolve refugee issues if they work bilaterally and their focus will be on strengthening this type of cooperation.

¶14. (SBU) EC Delegation Head Degert said the conclusion of the Sarajevo process should be a decision and declaration among all parties in that framework. Bilateral cooperation is welcome but resolving this issue multilaterally would send a strong regional signal. UNHCR representative Buchhorn said

that the most important thing is to achieve results and the form in which that is done is not important, however, how that process is seen by other members is important and the other member countries do not see the SP as over.

Sustainability of Returns

¶15. (U) Members of the IC also addressed two issues that could negatively impact the sustainability of returns. The first issue is the enforcement of the Constitutional Law on The Rights of National Minorities (CLNM). In part the CLNM provides for affirmative action in the employment of minorities in the public sector. However, the implementation of this aspect of the law appears to be inconsistent and in some places non-existent. In response, the GOC acknowledged that implementation has not been satisfactory and they have created a ten point action plan to address the issue. The government claims that the high unemployment rate in general in the country is a contributing factor as well as minorities who do not identify themselves as a minority when they apply for jobs. Minister Dropulic remarked that in the course of five years not one person applying to work in her ministry has ever self identified as a minority.

¶16. (U) The second issue raised was in regard to a new law on agricultural land that was passed in December 2008. Depending on interpretation the law could in some circumstances enable the government to sell or lease unused agricultural land for farming without the owner's consent. Many critics of the law feel it would allow the government to take away land from Serb refugees who have not returned to Croatia or from recent Serb returnees who are not yet able to farm the land they have. DPM Uzelac (himself a member of the Serb minority) felt the concept of the law was good and necessary and that the government had not done a good enough job explaining the new law to the public. However he did allude to negotiations that were taking place which would answer many of the concerns raised by the public. (NOTE: The following day the Ministry of Agriculture announced provisions to the law that would guarantee landowner consent before the land could be leased or sold for farming).

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Comment

¶17. (U) The government's recent figures show a considerable amount of progress in providing housing for returnees. Croatia has completed its benchmark for 2007 and will fully complete the benchmark for 2008 in a short amount of time. Croatia has begun construction and purchasing of apartments for the 2009 benchmark. Given the significant amount of construction that took place during the winter season to fulfill the 2008 benchmark and as we enter the prime construction periods of spring and summer, it is likely that the government will be able to finish a majority of the 2009 benchmark by the end of the year with a small number left to be done in the first quarter of 2010. A genuine will exists within the government to see these issues resolved especially as they continue to seek entry into the EU. The recent re-opening of a diplomatic dialogue between Serbia and Croatia has also renewed hope that cooperation will lead to a viable solution for the remaining refugees. END COMMENT

BRADTKE